



**National War College**

**Brother, Can You Spare a Billion?**

**or**

**How to Sell a THAAD**

**In the Land of**

**Bureaucratic Politics**

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## Brother, Can You Spare a Billion? Or How to Sell THAAD

### In the Land of Bureaucratic Politics

Pundits of doom are just waiting for THAAD (Theater High Altitude Area Defense) to be canceled. THAAD's enemies are quick to ensure that everyone has seen the microscopic analysis of the "latest failure", noting that THAAD is a VERY expensive program, and maybe the Department of Defense could better spend its scarce dollars elsewhere. Oh, by the way, each of the other services has at least one or two "elsewhere's" that could readily accept Theater Missile Defense funding.

This paper will examine THAAD in light of previous Air Defense acquisition failures, and in the context of today's bureaucratic politics. I will then attempt to "operationalize" the findings into practical application that could be used by today's decision makers as they continue to fight for the THAAD program.

### **Looking Back**

Army Air Defense Artillery has a spotted record in weapons system's acquisition over the last 20 years. The branch that brought the world Patriot and the famous SCUD battles over Riyadh and Tel Aviv unfortunately also brought us Sergeant York and ADATS (Air Defense Anti Tank System). Both York and ADATS were major acquisition programs, costing billions of dollars, and both were canceled by Pentagon leaders. Lets look briefly at these two systems and see if there are lessons today for our treatment of THAAD.

### **Sergeant York**

Sergeant York, also known as DIVAD, for "Division Air Defense" was originally designed to provide the maneuver commander with mobile, lethal firepower out to

about 4 kilometers. Its twin 40mm guns were radar directed and computer controlled. York could not only engage helicopters, but also could detect incoming anti-tank or cruise missiles, automatically slew and engage, even if currently fighting against other airborne threats. York was designed to be a 6½-year acquisition program, which was to cost about \$4 billion to procure 614 systems. At the time of York's cancellation by the Secretary of Defense in 1985, the Sergeant York program was behind schedule (10 years vice 6½), but was actually less behind than seven other Army programs selected for analysis by the GAO.<sup>1</sup> Cost growth had been minimal; in fact at the time of cancellation the Army was working to accelerate fielding of Sergeant York as a cost saving measure. Interestingly, bureaucratic politics played almost no role in Sergeant York's demise.

### **What Went Wrong**

Simply put, the threat just didn't cooperate. Sergeant York was designed for the 2-4 KM helicopter threat. Early in its Research and Development phase, however, new Soviet missiles were introduced which allowed enemy helicopters to standoff 6-8 KM. Sergeant York immediately suffered a tremendous loss of relevance – the threat was real, but a gun system, any gun system, was simply not going to have the range to deal with it. But instead of acknowledging that their \$4 billion program was less than it used to be, the Army tried to compensate by hanging "Bells and Whistles" on York, to squeeze every millimeter of performance out of a flawed program. The results were legendary. At one test firing in New Mexico, software problems caused the turret to swing directly at the VIPs in the bleachers. Even though everyone knew that safety

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<sup>1</sup> General Accounting Office, Sergeant York *Concerns about the Army's Accelerated Acquisition Strategy* ,

interlocks would prevent firing at the stands, having twin 40mm barrels aimed at you tends to focus the mind – Senators and generals were diving for cover. And the famous “60 Minutes” episode, where a high pressure washing before the show shorted out numerous electronics and allowed Mike Wallace to ask whether it ever rains in Germany? Public relations debacles aside, Sergeant York was doomed. Even if it had been fielded, maneuver commanders would not have gained the protection they needed to operate freely – therefore the system was a failure.

### **ADATS (Air Defense Anti Tank System)**

In the aftermath of York, the Army licked its wounds and set out to fix the original problem – how to provide adequate air defense to the maneuver commander. Interestingly, the replacement for a failed \$4 billion program was a \$11 billion Forward Area Air Defense (FAAD) “family” of programs, which was approved by the Defense Acquisition Board in 1986.<sup>2</sup>

ADATS was a \$6.8 billion piece of FAADS who’s mission was to provide the forward commanders a system that was tough enough (i.e., armored & tracked) to keep up and survive on the front lines. It also had to be lethal enough to shoot down standoff helicopters, enemy fighters, and help with the ground battle. The very impressive system the material developers came up with was armed with eight ready-to-fire anti-air and anti-tank capable missiles. Much was made of the “multi-role” capabilities of ADATS, to include its potential in the armored fight, and even as a “supplement” (some would say “replacement!”) for the Armored Cavalry.

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GAO/NSAID-86-89, May 1986 P 4

<sup>2</sup> General Accounting Office, *Major Acquisition Programs Selected Aspects of the Army’s Forward Area Air Defense System*, GAO/NSAID-90-191, June 1990, P 2

## **What Went Wrong**

ADATS demise is more complex than Sergeant York's. ADATS was behind in schedule by about 2 years. Testing was not going well either. However, nothing indicated that these problems were intractable. Many Army programs at that time were behind schedule, above cost, or both, and most of those were having similar problems in OT&E (Operational Testing and Evaluation). Indeed the very morning that ADATS was terminated by the Secretary of the Army, it engaged and destroyed a helicopter at 12KM. What killed ADATS was simple bureaucratic politics:

1. **The Budget.** DoD's budget in 1989 was \$374 billion, but the FYDP (Five Year Defense Plan) prepared in 1989 showed a precipitous decline to \$278 billion by 1994. If 1989 were straight-lined (i.e., had budgets remained constant at 1989 levels), OSD would have had almost a quarter of a trillion more dollars to spend over the FYDP. It would have been relatively easy to find room for ADATS \$6.8 billion within that extra quarter trillion dollars.
2. **The Missile.** ADATS eight ready-to-fire missiles weren't being manufactured in Texas. They were being made in Switzerland by Oerlikon-Buhrle. With 10,078 missiles required, and no Senator watching the missiles roll off an assembly plant in his district, it should be no surprise ADATS' constituency wasn't strong enough to prevail.
3. **The Mission.** With the breakup of the Soviet Union, those pursuing a "Peace Dividend" argued very well that there just wasn't a credible threat out there. And even if some nation did try to attack, the US Air Force was more than capable; therefore, ADATS could be canceled. Years later, with the proliferation of cruise

missiles, unmanned aerial vehicles, and hard to detect stealth technology, the decision seems shortsighted.

4. Never Gore Your Neighbor's Ox. Finally, the US Army's Cavalry has a long and distinguished history, and to this day has supporters at every grade from Private to 4-Star General. When the ADATS supporters trumpeted their potential "Cavalry like" capabilities, they were attacking a passionate and influential force within the Army. In bureaucratic politics, failing to gain the proper organizational backers can be devastating; alienating them can be fatal. In short, due to ADATS' attempted "mission creep", large measures of the Army's critical internal support were withheld, as ADATS was perceived to hold future threats for the Cavalry.

#### **THAAD**

THAAD was born out of Desert Storm, with congressional passage of the Missile Defense Act of 1991. In it, THAAD was required to be developed and fielded by 1995; a truly aggressive program to address the glaring shortfalls in US capabilities to intercept ballistic missiles. Anyone who has followed THAAD's five intercept failures could quickly come to believe THAAD is mostly a missile program, and a bad one at that. In truth, THAAD has four major projects within the overall program: The radar, missile, launcher, and Battle Management Command Control Communications and Intelligence (BMC3I) system. According to LTG Lester Lyles, Director of the Ballistic Missile Defense Organization (BMDO), "We've had great success with the radar, great success with the battle management command and control, great success with the launcher. All of those parts of the total system have worked very, very well."<sup>3</sup> The

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<sup>3</sup> LTG Lester Lyles, Director, BMDO, 9 July 1998 DoD Press Conference

program has indeed had five test failures, each from a separate source. The most recent failure (May 98) was caused by a short circuit in the thrust vector control system, a part supplied to Lockheed by subcontractor Pratt & Whitney. Five failures in a major acquisition program are not many. One only needs to look at the courageous test pilots fielding early jet aircraft, or at the early efforts of the Mercury Space program to see that working through failure was an important and routine event on a much longer journey.

### **The Bureaucratic Politics of THAAD**

THAAD is currently a fully funded major acquisition program, and has unequivocal support from BMDO's Director, LTG Lyles: ". I want to emphasize, both for me as the Director of the Ballistic Missile Defense Organization, and I think I speak for the United States Army, the Army and BMDO remain fully committed to the THAAD program."<sup>4</sup> However, bureaucratic politics are at work in this program – understanding the nature of these politics can assist decision-makers to formulate better strategies to ensure successful completion and fielding. The bureaucratic politics working against the success of THAAD are:

1. **Inter-Service Competition.** While inter-service rivalry is nothing new, the context has changed since General Colin Powell (Chairman of the Joint Chiefs) introduced the "Base Force" in 1989. The Base Force was designed to deal with the reduced Soviet threat, and in many cases replace "threats" with capabilities as the driver for force structure and weapons procurement. This "Capabilities Based Force" however allowed the services to compete for previously service-specific mission areas, based

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<sup>4</sup> Ibid



on the “capability” to accomplish that mission. As an example, the US Navy has never had a role in missile defense. After Desert Storm, however, the Navy noticed in a review of radar data that it had the “capability” to track ballistic missiles. The Navy now has two ballistic missile defense programs working through the acquisition process – one of which (Navy Theater Wide) is considered by many to be a competitor for THAAD. The US Air Force is competing also, with its programs – The Airborne Laser and Space Based Laser. Needless to say, when all services want to own the same mission area, the effects on inter-service cooperation are not likely to be positive. But why are all the services working so hard at trying to create new programs that are clearly duplicative and will be run by BMDO? This leads me to the second factor of bureaucratic politics at work: follow the money!

2. BMDO Funding is Not Counted Against the Services. BMDO has been budgeted at between \$2.8 billion and \$4.2 billion every year since 1986. From a service perspective, this is “free” money. In 1994, Army programs received 77% of all BMDO funding; by 1997 the Army portion was less than 50%.<sup>5</sup> The Navy and Air Force have “followed the money”, and have harvested billions of dollars for their TMD programs, which, not coincidentally, also allow them to claim a role in future debates on roles and missions. For the Navy, this helps defend against additional cuts to the Aegis fleet (It becomes illogical to cut Cruisers at the same time BMDO is putting billions into cruisers.) The Army, for its part, didn’t dedicate much of any effort towards guarding its investment in BMDO. Because it wasn’t money the Army could “control” easily, briefings on BMDO programs rarely reached the Army

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<sup>5</sup> Ballistic Missile Defense Program Funding, Historical Funding For (SDI) BMD FY85-97

leadership. When they did, they were routinely considered good news stories, focusing on how much Total Obligation Authority (TOA) the Army had in BMDO, rather than changes to that TOA.

3. Army relations with Congress. It is no secret that the Army doesn't "do the Hill" well. This was a criticism noted by General Reimer's transition team when he became Chief of staff, and it is much the same today. Congressional Staffers who could have a significant positive impact on THAAD are left with standardized fact sheets, because the true experts on missile defense are not allowed to call. In the absence of coherent, intellectual analysis, the budgets will favor others.
4. Army Relations within the Pentagon. The Army again seems unwilling to get out in front, favoring process over people. The Navy and USMC manage "by-name" the billets they feel are important to missile defense throughout the Pentagon, whether in OSD, JCS, BMDO, or elsewhere. Army officer's assignments are worked almost exclusively through routine Personnel Command channels, thereby assuring that other services can out "sponsor" the Army and fill critical vacancies faster.

### **Five Steps to Improving THAAD's Opportunities for Success**

If this paragraph title sounds like a bit of an equivocation, that's because it is. Nothing can absolutely guarantee success; if THAAD keeps missing the target, eventually it must be canceled. However, understanding the bureaucratic politics at work, and taking appropriate actions to address those forces, can greatly enhance the probability of successfully fielding this weapons system.

Step One: Make sure THAAD is relevant today. Much has changed since 1991 – the Army should forthrightly decide whether providing terminal missile defense coverage to

troops, cities, ports and airfields is a Center of Gravity. If not, success cannot follow – get out now. Assuming the Army endorsement of THAAD is clear and unequivocal, move to step two.

Step Two: Build a “Sell THAAD” campaign plan. If a \$14 billion TMD system is vital to the Army, pin down the Chief of Staff on when / where he will help sell THAAD. Once the Chief is on board, enlist everyone in the Army’s senior ranks to participate in the process. Every Army General and SES (and as many Joint Staff and BMDO leaders as you can convince) should have a “script” to put out a coherent, positive message on the importance of THAAD.

Step Three: Build the THAAD Team. Identify every job in the Office of the Secretary of Defense, Joint Chiefs of Staff, BMDO, Operational Testing and Evaluation Command, Office of the Chief, Legislative Liaison (OCLL), that has a role in keeping THAAD on track. Then either get an Army officer assigned (i.e., hand picked) or at least ensure you clearly understand where the incumbent stands on THAAD.

Step Four: Find the way to open dialogue with Congress. Military lobbying of Congress is illegal. Having said that, there are numerous avenues to getting your message to “the Hill”. Find opportunities to meet with and establish relationships with Senatorial and Representative staffers, as well as the staffs of Defense and Appropriation Committees. Build a trust that you are the “go to” office for any TMD issue (to include Navy and Air Force TMD’s). If Congress is solidly behind THAAD, OSD will think long and hard before disadvantaging it.

Step Five: Invoke the Media and Lobbyists. Building a bond between one or two key reporters can give you a “National” voice when it’s time to praise a THAAD

accomplishment. Likewise, knowing how to get your side of the story to the media can balance “others” who might put out disinformation for their own purposes. Finally, access allows you to control or at least get ahead of “bad” news, such as a test failure. Lobbyists, for their part, will seek you out, as they attempt to ensure you are on their team. Lobbyists can provide vital and timely information about congressional developments, the performance of their company, and expected barriers to success. In 1996, a Lockheed “TMD Representative” (i.e., lobbyist) discovered that OSD was about to announce a multi-billion dollar cut to THAAD. The next morning, before it could announce the cut, OSD was swamped with faxes from Congress, demanding that no cuts be made – none were.

### **Conclusion**

I have covered in this paper some examples of how acquisition programs get into trouble – some virtually unrelated to politics (Sergeant York), but others deeply enmeshed in the world of bureaucratic politics. Applying those lessons to the THAAD program, I’ve offered five steps to improve the chances of THAAD successfully navigating the “process” piece of systems acquisition. Performance is still the ultimate judge – THAAD must ultimately succeed in performing as advertised. However, a skillful application of the principles discussed in this essay could greatly facilitate a more reasoned, long-term view of THAAD, and quiet those who wish to gamble a \$14 billion, 10-year program on a single missile test’s success or failure.

*- LTC Michael P. Locke*